

# Human Rights Commitment

## Message from the CEO

Draslovka's global presence brings about responsibility and we are committed to protect and promote human rights, tolerance, mutual understanding and ethical business practices in all countries we operate in.

The five fundamental Draslovka values – We put safety first, We build strong relationships, We always do the right thing, We act like business owners, and We constantly reimagine what is possible – shape the Draslovka culture as socially responsible multinational organization. These Draslovka values have created an environment where everyone is treated equally and professionally, with dignity and respect, and where discrimination and harassment are not tolerated.

This document outlines our commitments towards Draslovka's employees as well as the workforce in our value chain, local communities and our business partners, and at the same time lists the steps we have already taken to bring these commitments to life.

### Pavel Brůžek Jr.

Chief Executive Officer



# International Human Rights Framework

Our commitment to protect human rights and sound employment conditions spans all internationally recognized standards, including those articulated in the following international law instruments and initiatives:

- UN Universal Declaration of Human Rights and other core UN Conventions
- UN Global Compact Principles
- UN Guiding Principles on Business and Human Rights
- ILO Declaration on Fundamental Principles and Rights at Work and fundamental ILO conventions
- OECD Guidelines for Multinational Enterprises on Responsible Business Conduct
- European Convention of Human Rights
- Charter of Fundamental Rights of the European Union

**We always adhere to country-specific laws, including those on labour rights, non-discrimination and anti-harassment. Even where no such rules apply according to the national laws, our Group wide policies, mentioned below, guarantee a high standard of protection.**

# What We Stand For

## Human Rights

Our fundamental human rights commitments are directed to our workforce, value chain workers, as well as local communities wherever we operate. We are especially committed to:

- Under any circumstances, prevent the use of or involvement in child labour, forced or compulsory labour, slavery, servitude or human trafficking.
- Maintain an environment free from torture and cruel or abusive disciplinary practices.
- Never tolerate physical, sexual, psychological, verbal or any other harassment, bullying, threats or generally unprofessional or disrespectful behaviour.
- Comply with all applicable non-discrimination laws, treat everyone with respect and never allow discrimination against any individual.<sup>1</sup>
- Define the role of security functions present at our premises in accordance with applicable laws and with the utmost respect to the workforce and local communities.
- Keep safety at the heart of everything we do, at all levels of business and throughout the product life cycle, to protect the health and safety of workers, local communities and end users.

- Protect the environment, minimize negative impact and preserve natural resources.
- Respect the rights of local communities, including indigenous people, especially the rights to land, cultural heritage and traditions, and approach local communities actively and with understanding.
- Continue expanding the already solid community engagement efforts and increase transparency to build trust with our local communities.
- Strongly oppose bribery, corruption, money laundering and other unethical conduct and always respect international sanctions.
- Maintain open lines of communication with all stakeholders to ensure that any concerns are raised and addressed timely, and offer a confidential way to raise concerns and guarantee non-retaliation.
- Educate, train and motivate employees to uphold the human rights and comply with applicable laws.
- Effectively promote human rights and labour rights commitments in our value chain and follow up on any indications of a breach of the principles we stand by, including termination of relationships if our commitments are not shared.

## Labour Rights

All employees should feel they all belong to Draslovka and are respected and recognized. Towards our employees we commit to always:

- Abide by all applicable labour laws, fair labour standards and contractual agreements, including legal age, minimum wage, maximum working hours and paid holidays, overtime payments, freedom of association and the right to collective bargaining.
- Avoid using temporary contracts or indirect employment as a tool to deny employment rights.
- Ensure fair, equitable and adequate<sup>2</sup> remuneration to recognize the value and contributions of Draslovka's employees, irrespective of their gender or other irrelevant characteristics, foster inclusive environment and provide equal pay for work of equal value.
- Base recruitment, placement, training availability and advancement at all levels on qualifications, skills and experience and consider, as appropriate, that some people more than other may have difficulties to acquire such qualifications, skills and experience.
- Continuously evaluate job requirements to ensure that certain groups are not being systematically disadvantaged and promote access to skills development.
- Encourage respectful and inclusive communication that welcomes differing viewpoints.
- To the extent possible, given the characteristics of our production, include people with disabilities by adjusting the physical environment to ensure health and safety, and offer flexible work schedules to accommodate varying needs of employees.

<sup>1</sup> On the grounds of age, sex, race, colour, national or ethnic origin or cultural background, religion, sexual orientation, gender identity or expression, marital status, disability, political affiliation, union membership, or any other characteristic protected by applicable laws.

<sup>2</sup> Adequate wages to be benchmarked against adequate minimum wages determined by legislation in European Economic Area or using similar norms with wage level needed for decent standard of living outside European Economic Area.

## Implementation and Governance

To ensure effective alignment with our commitments, Draslovka has reflected its commitments in a number of internal policies and based on them brought into life numerous processes and tools listed below.

- [Code of Conduct](#)
- [Supplier Code of Conduct](#)
- [Group DEI, Non-Discrimination and Harassment Policy](#)
- [Group ESG Policy](#) and annual [Sustainability Reports](#)
- [Group Whistleblowing and Internal Investigation Guideline](#)
- Group Remuneration Policy and [Terms of Reference](#) of the Committee for HR Matters and Remuneration
- [Group Anti-Bribery and Corruption Policy](#)
- [Group Anti-Money Laundering and CTF Policy](#)
- Group Sanctions Policy
- [Group EHSS Commitment](#)
- Group Personal Data Protection Policy and related [Commitment](#)

The policies listed above have been approved and are regularly reviewed by the Board of Directors of Draslovka a.s. (the Board of Directors) and senior management. They include a robust division of responsibilities at the Group and local level, to ensure effective implementation of the principles we stand for.

Stemming from the Group policies, these are the main tools and processes in place facilitating the realizations of our commitments:

### General

- Strengthening corporate governance through formation of the Advisory Board, ESG Committee, Committee for HR Matters and Remuneration on the Group level and Ethics Committee in each business unit.
- Ethics Committee in each business unit responsible for raising awareness of the Code of Conduct and other policies, and for consistent investigations and cases determination.
- Group Head of Human Resources and Group Head of Compliance responsible for monitoring, overseeing and controlling the implementation of the HR-related policies and providing guidance to management of Group Companies that are responsible local implementation.
- Training of managers and human resources employees to recognize and address discriminatory practices (direct or indirect) and unconscious biases.
- Regular reporting of the Group Head of Compliance to the Board of Directors, covering also local implementation of Group policies and associated risks.

### Risk Assessment and Due Diligence

- Regular human and labour rights risks and positive and negative impacts identification within the annual sustainability reporting, but also stemming from the AML and sanctions risk assessment.
- Acknowledgment of the Supplier Code of Conduct gradually by our suppliers, and business partners due diligence procedures according to Group Anti-Money Laundering and CTF Policy, as well as Group Sanctions Policy.

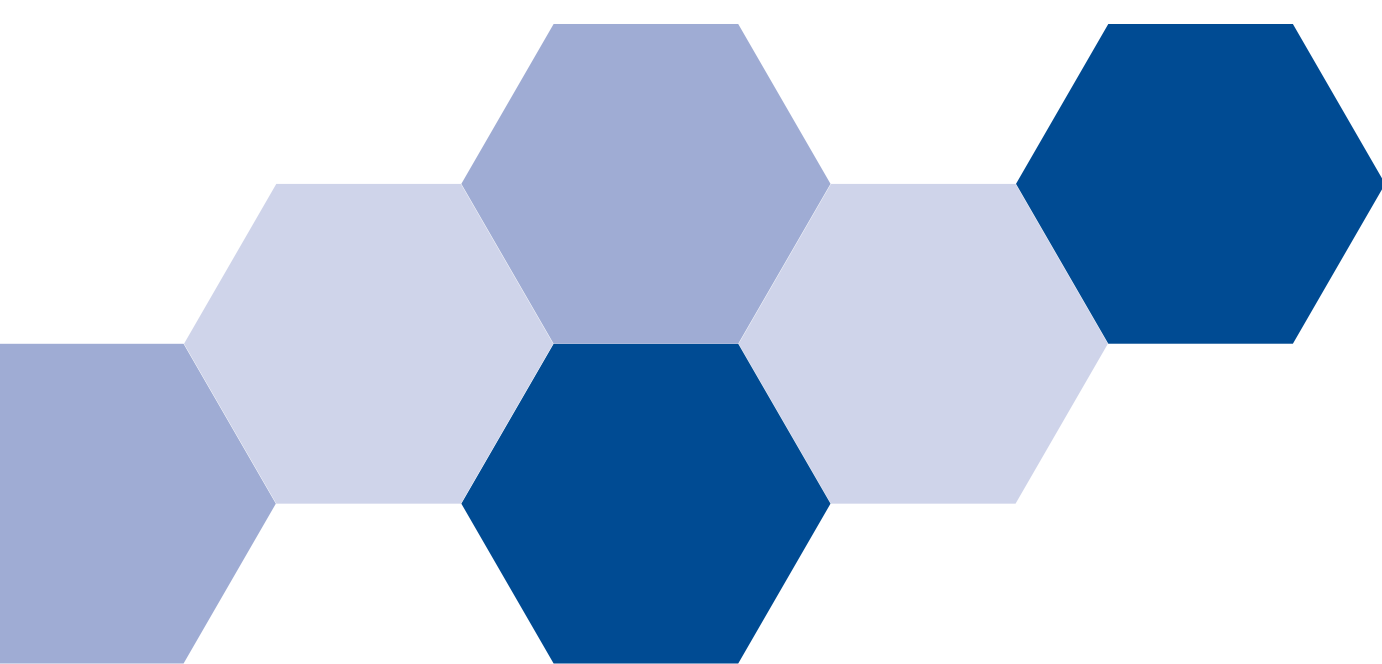


## Engagement

- Annual Group wide employee engagement survey and local employee engagement initiatives.
- Structured engagement with internal and external stakeholders within the annual sustainability reporting process.
- Details about our community engagement initiatives and offered educational programs across our geographies to be found in our Sustainability Reports.

## Human Resources

- Formation of the Committee for HR Matters and Remuneration, responsible among others for co-developing of the diversity and inclusion, employee engagement and remuneration strategies, as well as their implementation and supervision, and regular reporting to the Board of Directors.
- Keeping up-to-date records on recruitment, training provided, and promotion, and analysing the records to rule out discrimination.
- Categorizing jobs according to a job levelling system to ensure consistent and equitable compensation structures.
- Performance of regular, at least annual, remuneration audits and reporting on alignment with the principles of sound remuneration and with ESG goals in a broader sense.
- Presentation of various ratios, such as gender pay gap, in the annual Sustainability Report.



# Reporting Ethical Misconduct

Draslovka is eager to hear the opinion and concerns of all internal or external stakeholders. Besides the usual lines of communication, the Draslovka's Ethics Hotline is available 24 hours per day and allows anonymous reporting. As a part of their duties, employees are expected to report suspected violations of law, provisions of Draslovka Code of Conduct, or other policies and procedures, including any suspected violation of human rights.

Information about Draslovka's Ethics Hotline is published on a dedicated public website. Links are available on Draslovka's intranet and emphasized in all internal policies and other internal or external communications. Draslovka's suppliers are requested in the Supplier Code of Conduct to spread awareness about Draslovka's Ethics Hotline among their workers.

The Group Whistleblowing and Internal Investigation Guideline also establishes a process to remediate any adverse impacts caused by Draslovka (human rights, health, employment conditions or other) or to which Draslovka might contribute.

The reports are followed up according to the ethics investigation procedure, ensuring immediate and efficient investigation with respect to the principles of confidentiality and non-retaliation. The investigation shall be concluded by adoption of remedial and corrective actions, as necessary, with material cases and negative trends being reported to the Board of Directors to ensure top management oversight.

Ethics Committees are set up locally to examine the whistleblowing reports for possible ethics violations, to monitor effective implementation of disciplinary and improvement actions and to ensure fairness and consistency.

Every Draslovka employee and contractor acting on our behalf is responsible for understanding and complying with this commitment as well as all applicable laws, regulations and relevant contractual arrangements.

This commitment has been prepared by the Group Head of Compliance and Group Head of Human Resources and approved by the Board of Directors. Draslovka leadership commits to provide the resources and accountability to achieve the requirements of this commitment.

**Last update: December 2024**



